

journal

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Regional Dialogue extension

BPA announced in mid-September that it has extended the comment period on the Long-Term Regional Dialogue through Oct. 31. Public power and the investor-owned utilities requested the extension while they are attempting to reach agreement on future Residential Exchange Program benefits.

An agreement on the Residential Exchange Program could allow BPA to avoid implementing the fallback proposal described in the July 2006 policy proposal. (See the Public Involvement section for more details.)

Grand Coulee's new breakers

BPA is embarked on a four-year program to replace all of the 500-kilovolt breakers at its Grand Coulee 500-kV yard near Grand Coulee Dam in Washington. As of Sept. 22, six of the 17 breakers had been replaced.

The Bureau of Reclamation requested the \$15.8 million reimbursable breaker replacement program at Grand Coulee. The remaining 11 breakers will be replaced by the end of 2008. Three were installed in 2005 and three in 2006. The breakers being replaced were 30 to 40 years old, and were routinely out of service for maintenance.



The Grand Coulee breaker replacement program is replacing 17 500-kilovolt breakers over a four-year period. The old air blast breakers are in the right background.

Council approves draft F&W spending

The Northwest Power and Conservation Council in mid-September unanimously approved release of draft recommendations for BPA's funding of its 2007-2009 Columbia River Basin Fish and Wildlife Program. The total comes to about \$150 million annually.

The Council developed the recommendations from a list of more than 500 project proposals submitted by federal agencies, states and local entities and tribes in response to a solicitation issued last year. An independent science panel reviewed the proposals for scientific merit, and individual states prioritized them within budget allocations.

The Council is taking public comment on the recommendations for a three week period. It plans to adopt the final recommendations at a meeting in mid-October, after which BPA will make its decisions.

The Northwest Power Act directs the Council to recommend to BPA the fish and wildlife projects that it should fund to protect, mitigate and enhance fish and wildlife in the Columbia Basin.

Yakima's new fish screens

On Sept. 22, federal, state and tribal officials met at Naches, Wash., to celebrate the completion of the Yakima Basin Phase II fish screen project. Officials from the Washington Department of Fish and Wildlife, BPA, the U.S. Bureau of Reclamation and Yakama Nation took part in the program.

Over the past 14 years, this project has involved

modifying or rebuilding and maintaining 31 diversions that help keep fish in streams and out of irrigation canals and ditches. Phase I fish screen facilities on the large federal irrigation diversions in the Yakima Basin were completed between 1985 and 1991. The majority of Phase II fish screens on mid-to-small diversions came on line between 1992 and 2000.

By 2000, the full cumulative benefit of Yakima Basin Phase I and Phase II fish passage improvements (fish screens and fish ladders) was benefiting Yakima salmon and steelhead runs. Experts concur the new fish screens are making a difference.

Pikeminnow program extended

BPA has extended the pikeminnow sport reward fishing program for this year. The program was due to end Oct. 1, but BPA has extended it to Oct. 15. At last report on Sept. 24, people had caught more than 212,000 of the predators that feed on salmon smolts.

Since it was introduced in 1994, the sport reward fishing program has removed more than 2 million pikeminnows. The program pays anglers for the pikeminnows they catch over nine inches long from the mouth of the Columbia River to Hell's Canyon on the Snake River. The Pacific States Marine Fisheries Commission that manages the program for BPA says that the pikeminnow rewards program has cut juvenile salmon losses to predators by 25 percent.



Emergency plans for BPA

When a disaster strikes, field crews and grid operators are often among the first to respond. With this in mind, BPA is working on a continuity of operations plan that will help keep the system running in any crisis situation, from a pandemic flu to a devastating natural disaster.

BPA also is connected to a national system that allows government agencies and relief organizations to coordinate their efforts. A Homeland Security presidential directive requires government agencies to coordinate in a national response plan that includes being part of a National Incident Management System. The NIMS helps integrate BPA's response to large incidents and provides a way to request resources from federal partners.

BPA executives have completed two Federal Emergency Management Agency courses on NIMS. The same training is available online to anyone interested in general emergency preparedness. You'll find it at www.fema.gov. BPA field and specialized staff will receive similar training during the next fiscal year.

Emergency exercise completed

For the annual practice emergency exercise, BPA executives and managers tackled a mock pandemic flu in mid-September. Unlike most natural disasters that damage the power system, the flu affects people – the BPA folks that run the system. So, instead of tackling the hardware and material needs of the grid, the BPA execs this year focused on the people needs for keeping the grid up and running.

The exercise had test cases in which the executives had to plan how to patch together lines crews for needed field service from ranks that had many people sick and off work. They had to decide how to assign reduced numbers of healthy dispatchers to keep the power flowing. These annual exercises help keep BPA prepared to deal with the unexpected and handle emergencies that may arise.

Load forecasting automated

After more than a year and a half's work, BPA is about ready to implement a new automated load forecasting system. Load forecasting is an important part of how BPA plans to meet its power and transmission system obligations. But, in the past forecasting was done separately in the transmission and power groups with little automation. The new system will allow BPA to produce long- and short-term load forecasts to project its own future needs as well as those of customers.

The new system will consolidate the process and the products. Customers will also have a single load forecast that addresses both power and transmission needs. Other benefits include greater forecasting accuracy, tracking historical data and making information readily accessible.

BPA is energy efficiency champ

The American Council for an Energy-Efficient Economy recently presented BPA with a "Champion of Energy Efficiency Award." The award recognized BPA for its commitment to energy efficiency as an electricity resource. The award was presented at the group's summer program in California.

Test driving electric cars for BPA

Employees at BPA's Ross Complex in Vancouver test drove a variety of all-electric vehicles in September. They gave input on the types of vehicles that could be used to work on the large campus and to run tasks in the community. This is part of BPA's effort to help conserve fuel, reduce emissions and cut costs. BPA plans to order five to six vehicles for use at Ross and the local Vancouver area during the next year.

Some of the all-electric vehicles operate at a cost of about one cent a mile, compared to 16 cents or more per mile for standard fossil fuel cars. The energy equivalency mileage of the electric car is about 300 miles per gallon. At \$3 gasoline, that's a big savings over 20-mpg gas cars.

publicinvolvement

updates and notices

AGENCY – PROJECTS UNDER REVIEW

ColumbiaGrid – Regionwide

BPA and six other utilities supporting ColumbiaGrid are funding its development. The three-member board was seated on Aug. 1, and is collaborating on a business plan. It will hire key staff to develop the ColumbiaGrid organization over the next two years. While BPA has not yet decided whether it will sign any proposed functional agreements that will specify the scope of ColumbiaGrid's responsibilities, BPA is fully engaged in drafting the agreements. ColumbiaGrid is the first regional transmission entity in the Northwest to elect an independent board. The board last met on Sept. 22 and will continue to meet on a regular basis.

ColumbiaGrid's Planning and Expansion Subgroup is

finalizing the draft functional agreement on Transmission Planning and Expansion. This is scheduled to be offered to Northwest transmission owners by ColumbiaGrid in November. BPA will issue a letter seeking public comments on BPA's potential participation in this agreement. See www.columbiagrid.org/ or www.bpa.gov/corporate/business/restructuring/ for the latest information on ColumbiaGrid.

Supplement Analysis to the Business Plan EIS – Regionwide

BPA is preparing a Supplement Analysis to its Business Plan EIS, scheduled for release this fall. For a copy of the Supplement Analysis, or for more information, see BPA's Web site: www.efw.bpa.gov/environmental_services/Document_Library/bpsa.

FISH AND WILDLIFE – PROJECTS UNDER REVIEW

Chief Joseph Hatchery Program – Okanogan County, Wash.

The Northwest Power and Conservation Council recommended that BPA study a program sponsored by the Confederated Colville Tribes to assist in conservation and recovery of summer/fall chinook salmon in the Okanogan subbasin and the Columbia River below Chief Joseph Dam. This program would include a new hatchery near the base of the Chief Joseph Dam and acclimation ponds throughout the Okanogan River subbasin. The EIS will also consider use of the proposed facilities to reintroduce spring chinook salmon to historical habitats in the Okanogan subbasin on an experimental basis. The program includes production to augment the ceremonial and subsistence harvest of salmon for the Confederated Colville Tribes. This program would be designed to have no effect on the operational flexibility of Chief Joseph Dam. A draft EIS will be available for public comment this fall. For more information, see BPA's Web site: www.efw.bpa.gov/environmental_services/Document_Library/Chief_Joseph/.

Lyle Falls Fish Passage Project – Klickitat County, Wash.

BPA will be preparing an EIS for the proposed Lyle Falls Fish Passage Project and expects a draft EIS in May 2007. For more information, see BPA's Web site: www.efw.bpa.gov/environmental_services/Document_Library/Lyle_Falls/.

Northeast Oregon Hatchery Program, Grande Ronde-Imnaha Spring Chinook Hatchery Project – Wallowa County, Ore.

BPA has conducted value engineering, land acquisition and final design according to the ROD signed March 11, 2005. Several minor changes to facility features and sites resulted, so additional environmental analysis was conducted that included Endangered Species Act compliance, cultural resources surveys and hydrologic effects. No substantial new environmental effects or public issues are anticipated by the changes. A Supplement Analysis was completed March 23, which found that a supplemental EIS was not warranted by the minor changes. The U.S. Fish and Wildlife Service and NOAA Fisheries have concurred that the original ESA consultation remains valid. A ROD authorizing construction is planned for this winter. For more information, see BPA's Web site: www.efw.bpa.gov/environmental_services/Document_Library/Grand_Ronde/.

Proposal for Alternative Contracting Approach for Capitalizing BPA Funded Wildlife Land Acquisitions – Regionwide

BPA is seeking feedback on a draft proposal for an alternative contracting concept for capitalizing land acquisitions for wildlife mitigation. The draft addresses some issues that have led to a perceived slowing of mitigation efforts resulting from implementation of the agency's capitalization policy. For more information, see BPA's Web site: www.efw.bpa.gov/.

POWER – PROJECTS UNDER REVIEW

2007 Wholesale Power Rate Case (WP-07) – Regionwide

On July 17, the BPA administrator signed the Final ROD concluding the 2007 Wholesale Power Rate Adjustment Proceeding (WP-07). This 7(i) rate-setting process began with the publication of the Federal Register Notice on Nov. 8, 2005, and BPA's initial proposal on Nov. 21, 2005. The final ROD includes BPA's General Rate Schedule Provisions that will govern rates for FY 2007-2009. The final ROD, with rate schedule provisions and supporting studies and documentation, is on BPA's Web site at: www.bpa.gov/power/ratecase. BPA has sent the record for this rate proceeding to the Federal Energy Regulatory Commission for final approval of the rates. If approved, they take effect Oct. 1.

Regional Dialogue – Regionwide

BPA issued a policy proposal for public comment on July 13. The comment period has now been extended from Sept. 29 to Oct. 31. Additional information is available on BPA's Web site: www.bpa.gov/power/regionaldialogue. (See close of comment)

Service to Direct-service Industries – Regionwide

BPA held a public meeting Sept. 8 to accept comments on the

various options for service to direct-service industries in the Long-Term Regional Dialogue and the impacts after 2011. A presentation was given on the recently completed economic impact study regarding BPA providing benefits to DSIs. All comments received, including those at the Sept. 8 meeting, will be reviewed as part of the Regional Dialogue comment period which closes Oct. 31. A final decision on service to DSIs will be made in the Long-Term Regional Dialogue policy and a ROD that is anticipated in January 2007. Additional information is available on BPA's Web site: www.bpa.gov/power/pl/regionaldialogue/dsistudy.shtml.

TRANSMISSION – PROJECTS UNDER REVIEW

Caribou-Lower Valley Project – Caribou County, Idaho

BPA is proposing to build, own, operate and maintain a new 138/115-kilovolt substation near a proposed PacifiCorp substation near Soda Springs, Idaho. BPA would connect to PacifiCorp's new substation for the purpose of improving service to Lower Valley Energy. Lower Valley Energy would construct, own and operate a new 20-mile double-circuit 115-kV transmission line from BPA's new substation to a tap on the Lower Valley Energy transmission system between Lanes Creek and Valley substations. Lower Valley Energy would work with BPA to acquire all land and rights-of-way for the 115-kV line. BPA held a public meeting June 6 and received comments through July 14. Field work and design are planned for this fall. BPA expects to release a draft EA this winter. For more information, see BPA's Web site: www.transmission.bpa.gov/PlanProj/Transmission_Projects/.

Congestion Management White Paper – Regionwide

BPA has prepared a fact sheet, "Proposals to address congestion" that describes three solutions BPA will implement to lessen congestion on the transmission grid for summer 2007. The fact sheet is available on BPA's Web site: www.bpa.gov/corporate/pubs/fact_sheets/06fs/fs082906.pdf. Comments were accepted on the proposals through Sept. 15. BPA adopted the proposals in late September as the agency strategy for dealing with congestion in 2008. For more information, see the Congestion Management project Web site: www.transmission.bpa.gov/business/CongestionManagement/.

Hanford Reach National Monument CCP/EIS – Benton, Franklin and Grant Counties, Wash.

BPA is participating in a land management planning process led by the U.S. Fish and Wildlife Service. The USFWS is working on a comprehensive conservation plan under the Refuge System Improvement Act of 1997. BPA is helping with sections of the plan that pertain to transmission facilities, roads, energy facilities and river flow management within the monument. A draft EIS is scheduled for release this fall.

Klondike III/Biglow Canyon Wind Integration Project – Sherman County, Ore.

BPA has completed the final EIS considering impacts of requests by PPM Energy Inc. to interconnect 300 megawatts of the output of the proposed Klondike III Wind Project, and by Orion Energy LLC to interconnect 400 MW of the proposed Biglow Canyon Wind Project. Comments were accepted on the draft EIS through June 19. A ROD is expected to determine this month if BPA will interconnect the wind projects. If BPA decides to interconnect the projects, construction could start this fall. For more information, see BPA's Web site: www.transmission.bpa.gov/PlanProj/Wind/.

Libby (Flathead Electric Cooperative)-to-Troy Section of the Libby-to-Bonniers Ferry 115-kV Transmission Line Rebuild – Lincoln County, Mont.

BPA is proposing to rebuild a 17-mile-long section of the Libby-to-Bonniers Ferry 115-kilovolt transmission line to improve its reliability and meet future load growth in Lincoln County, Mont. BPA is analyzing the environmental effects of the proposed project and the comments received during the scoping process. BPA expects to issue a draft EIS this fall. Comments were accepted through Oct. 30, 2005. For more

information, see BPA's Web site: www.transmission.bpa.gov/PlanProj/Transmission_Projects/.

Port Angeles/Juan de Fuca Transmission Project – Port Angeles, Wash.

Olympic Converter LP has requested interconnection to the Federal Columbia River Transmission System of a 550-MW transmission cable across the Strait of Juan de Fuca from Vancouver Island, B.C., to Port Angeles, Wash. The draft EIS is expected to be released this fall. For more information, see BPA's Web site: www.transmission.bpa.gov/PlanProj/Transmission_Projects/.

Programs in Review – Regionwide

The 2006 PIR process will set planned spending levels which become the foundation for the revenue requirement in the Transmission rate case. BPA held five public meetings to share proposed operating costs for both capital and expense programs for its 2008 to 2009 transmission rate period. BPA also hosted a technical workshop to respond to questions and share more detailed information on the proposed capital programs. BPA accepted comments on the program levels through Aug. 31 and intends to issue a draft letter to customers and stakeholders for comment in October, prior to issuing a final closeout. See BPA's Web site for more information: www.transmission.bpa.gov/business/Customer%5FForums%5Fand%5FFeedback/Programs_in_Review/pir2006.cfm.

Shepherds Flat Wind Farm Interconnection Project – Gilliam and Morrow Counties, Ore.

Lifeline Renewable Energy, Inc. requested interconnection of up to 750 megawatts of power generated from the proposed Shepherds Flat Wind Farm that would be located in Gilliam and Morrow Counties, Ore. BPA proposes to interconnect up to 750 MW by expanding the existing Slatt Substation in Gilliam County. Comments will be taken on this project through Nov. 10 and a public meeting is scheduled for Oct. 25 in Arlington, Ore. BPA will analyze project impacts in a tiered ROD under the Business Plan EIS. The ROD is scheduled to be completed in 2007. For more information, see BPA's Web site: www.transmission.bpa.gov/PlanProj/Wind/. (See close of comment and calendar of events)

Seven Mile Hill Wind Interconnection Project – Wasco County, Ore.

UPC Wind Partners, LLC, requested BPA to interconnect 50 megawatts of power it plans to generate from its proposed wind development southwest of The Dalles, Ore. BPA is considering constructing a simple tap to create a three-terminal line within a switchyard beneath BPA's The Dalles-Hood River 115-kV transmission line. UPC would build a 115/34.5-kV substation adjacent to the switchyard but outside the transmission right-of-way. Recent planning considerations by the developer suggest that new alternatives being explored. These changes may require BPA to re-evaluate the interconnection request. BPA will largely parallel its National Environmental Policy Act review process with the Oregon Energy Facilities Site Evaluation Council review of this proposed wind project. UPC plans to start construction in late 2007.

Summer Falls/Main Canal Interconnection Project – Grant and Douglas Counties, Wash.

BPA proposes to interconnect 122 megawatts of generation from Summer Falls and Main Canal hydropower projects to the federal transmission grid. BPA proposes to construct a new 230-kilovolt substation (Pinto Ridge) in Grant County and a new communications site (Banks Lake) in Douglas County to complete the interconnection by 2008. Seattle City Light and

Tacoma Power requested the interconnection. They also requested that BPA construct eight miles of new 115-kV transmission line between Main Canal and the new Pinto Ridge Substation, one mile of new 115-kV transmission line between Summer Falls and Pinto Ridge, and their new 115-kV substation adjacent to BPA's proposed substation. Seattle City Light and Tacoma Power would own these facilities. BPA, Seattle and Tacoma plan to work cooperatively to complete a combined state and National Environmental Policy Act process and associated environmental compliance. A public meeting was held in August. Comments were accepted through Sept. 24. For more information, see BPA's Web site: www.transmission.bpa.gov/PlanProj/Transmission_Projects/.

Windy Point Wind Interconnection – Klickitat County, Wash.

BPA is considering the interconnection of up to 250 megawatts from Windy Point Partners LLC. This wind project would interconnect at the Rock Creek Substation, now under construction. Two groups filed an appeal to the county's SEPA determination and a hearing was held on July 19. A tiered ROD is expected to be released after the appeal process is complete. For more information, see BPA's Web site: www.transmission.bpa.gov/PlanProj/Wind/.

TRANSMISSION – PROJECTS UNDER CONSTRUCTION

Rock Creek Substation – Klickitat County, Wash.

Construction of Rock Creek Substation is under way and is expected to be complete in fall 2007. For more information, see BPA's Web site: www.transmission.bpa.gov/PlanProj/Wind/.

Tucannon River-North Lewiston 115-kV Transmission Line – Garfield County, Wash., and Nez Perce County, Idaho

Construction on the Tucannon River-North Lewiston transmission line is under way and expected to be complete in fall 2006. For more information, see BPA's Web site: www.transmission.bpa.gov/PlanProj/Transmission_Projects/.

SUPPLEMENT ANALYSES

To view copies of the supplement analyses, visit the link provided.

Watershed Management Program

www.efw.bpa.gov/environmental_services/Document_Library/Watershed_Management/

- SA-273 Protect and Restore Lolo Creek Watershed – Weaver Creek Crossing Upgrades, Clearwater County, Idaho
- SA-274 Lapwai Creek Watershed Restoration, Nez Perce and Lewis Counties, Idaho
- SA-275 Hofer Dam Fish Passage Project, Walla Walla County, Wash.
- SA-276 Yakima Tributary Access and Habitat Program – Ludwick Pipeline and Lyle Creek Diversion Project, Kittitas County, Wash.
- SA-277 Walla Walla River Basin Fish Habitat Enhancement – Gose Street Improvements, Walla Walla County, Wash.

CALENDAR OF EVENTS

Shepherds Flat Wind Farm Interconnection Project

Oct. 25 – Arlington, Ore. (Please see www.transmission.bpa.gov/PlanProj/Wind/ for time and location.)

CLOSE OF COMMENT

Oct. 31, 2006 – Regional Dialogue

Nov. 10, 2006 – Shepherds Flat Wind Farm Interconnection Project

The Journal is a monthly publication of the Bonneville Power Administration. If you have questions or comments, or you want to be added to the mailing list for any project, call toll free (800) 622-4519.

To order copies of documents, call: (800) 622-4520 or (503) 230-7334. Written comments may be sent to: BPA, P.O. Box 14428, Portland, OR 97293-4428. E-mail address: comment@BPA.gov. BPA home page: www.bpa.gov. For details on BPA environmental reviews listed above, including site maps and documents issued to date, see www.efw.bpa.gov/environmental_services/nepadocs.aspx. Process Abbreviations: EA-Environmental Assessment, EIS-Environmental Impact Statement, ESA-Endangered Species Act, FONSI-Finding of No Significant Impact, NOI-Notice of Intent, ROD-Record of Decision.

